



**For Immediate Release  
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**Contact: Mary Odbert  
916.743.3113  
Jennifer Zins  
916.871.0603**

## **CALIFORNIA CONSUMERS' RIGHT TO CHOOSE ENERGY PROVIDERS DENIED**

**Sacramento, CA** – Today, K-12 schools, universities, retailers, restaurants and manufacturing and electric suppliers from across the state came together to file a petition asking the California Public Utilities Commission (CPUC) to investigate lifting the existing suspension and restoring consumers' right to exercise choice in electricity suppliers. California consumers, by law, have the same right to choose their electric energy supplier as they do their phone and cable services. However, that right has been suspended for over five years.

During that time, the state, and in particular the CPUC, has stabilized the wholesale energy market, issued rules to insure all customers share in the costs incurred to buy electricity during the crisis and assigned responsibility for the long term electricity contracts to the utilities. With those steps in place, there appears to be no identifiable reason to continue to deny California consumers' choice to manage their electricity usage needs.

“It has been critical for us to have access to competitive suppliers,” said Len Pettis, Chief of Plant Energy and Utilities, California State University. “We have campuses throughout the state, connected to all three of the state's investor owned utilities. Our Energy Service Provider (ESP) offers diversity of energy supply resources enabling CSU to meet our renewable energy goals ahead of current public policy requirements. Direct Access (DA) has afforded CSU a portfolio of energy supply options and cost certainty not available from the utilities. CSU's participation in DA over the past eight years has generated over \$30 million in avoided cost which have been used to help meet enrollment targets, save jobs and reinvested in energy efficiency measures on our campuses. We hope that all schools and government agencies will soon have these important options.”

The power of competitive markets to reduce costs and improve service is a foundation of American economics and business culture. Americans understand that competition causes companies to be more responsive to consumer demands and service needs, monitor costs more closely and compete on the basis of price and features. It spurs innovation as a means for a firm to distinguish itself from its competitors.

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“California’s retail business owners overwhelmingly support a return to customer choice as a means to energy management. Choice, or direct access as it is referred to, provides innovation and management opportunities that will translate into lower costs for goods,” said Bill Dombrowski, President, California Retailers’ Association. “The problem today is that some retailers have it, but because of the suspension, others who want to exercise choice can’t have access to the same benefits. Allowing all retailers to have the same low cost electricity options is a matter of commercial fairness.”

As it stands, only consumers who had direct access at the time of the suspension in 2001 were allowed to retain the options, all other consumers must take their service from the utilities. Under the current circumstances, most California consumers are prohibited from choosing from a variety of competitive service providers for their electricity supply.

“By reinstating customer choice for all Californians, the CPUC will provide businesses and consumers access to innovative service offerings and improved customer service that the utilities do not provide.” said Norm Plotkin, Executive Director, Alliance for Retail Energy Markets. “Direct Access makes for a stronger economy by providing electricity management options and choices for consumers through competition.”

Experience across the nation has shown that electricity supplier choice provides consumers with the ability to manage their energy costs through innovative products and more service options. Currently, eighteen (18) states allow customer choice. California is the only state in the United States that suspended its retail energy market.

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